

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

20 MAR 1975

Mr. James F. Hyde
Acting Assistant Director for
Legislative Reference
Office of Management and Budget
Washington, D. C. 20503

Dear Mr. Hyde:

Enclosed are proposed reports to Chairman Stennis, Senate Committee on Armed Services, in response to requests for our recommendations on the following legislation: S. 244, a bill to amend the National Security Act of 1947 to clarify certain provisions of that Act regarding activities of the Central Intelligence Agency; S. 99, to establish a Joint Committee on National Security; and S. Res. 6, to establish a Senate Select Committee on Intelligence Operations and Activities.

Advice is requested as to whether there is any objection to the submission of these reports from the standpoint of the Administration's program.

Sincerely,

SIGNED

George L. Cary
Legislative Counsel

Enclosures

Distribution:

Orig - Addressee, w/encls

1 - S. 244 file

1 - S. 99 file

1 - S. Res. 6 file

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Approved For Release 2005/11/21 : CIA-RDP77M00144R000600120041-1
CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505

Honorable John C. Stennis, Chairman
Committee on Armed Services
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

This is in response to your request for comments on S. 244, a bill to amend the National Security Act of 1947 to clarify certain provisions of that Act regarding activities of the Central Intelligence Agency. The language of the bill is identical to the amendment to the Military Procurement Authorization Act of Fiscal Year 1975 (H.R. 14592, Section 703), approved by the Senate on 11 June 1974, which was the subject of my letter to you of 14 June 1974. As you know, the amendment was not approved by the conference committee.

S. 244 is very similar to the bill you introduced in the 93rd Congress--S. 2597 (copy enclosed). In response to your letter of 25 September 1974, I assured you that the Central Intelligence Agency will abide by the letter and the spirit of the provisions of S. 2597 in the conduct of our activities even though the bill had not been enacted.

In my confirmation hearings in July 1973 and in the two letters to you referred to above, I expressed my full support for those provisions now proposed in S. 244 which insert the word "foreign" immediately before the word "intelligence" in Section 102(d) of the 1947 Act, thus clearly expressing the mission of CIA as relating only to foreign intelligence. While I believe the word "intelligence" in the original Act was generally understood to refer only to foreign intelligence, the proposed language will make this limitation even clearer to Agency employees, other Government officials, and to the public.

I also indicated in the correspondence noted above that I was pleased to accept the provisions now proposed in S. 244 concerning Section 102(d)(5) of the Act, which converts to a statutory requirement

the long-standing practice of complete congressional oversight of our activities. Pursuant to current congressional procedures, the Agency reports fully on its activities to the oversight subcommittees of the House and Senate Armed Services and Appropriations Committees, and, under the recently enacted provisions of the Foreign Assistance Act Amendments of 1974 (P.L. 93-559, Section 32), reports on non-intelligence gathering activities to the Senate Foreign Relations Committee and the House Foreign Affairs Committee. I am confident that any other congressional procedures which may be established for oversight of Agency activities will meet the necessity for effective security.

S. 244 also adds a new Section 102(g)(1) to the Act, which reiterates the existing prohibitions against any police, law enforcement, or internal-security functions. At the same time, the new section makes clear that these proscriptions do not impinge upon this Agency's appropriate domestic activities, explicitly recognizing the necessity that the CIA protect its installations, conduct personnel investigations, and provide information to other agencies. It is silent, however, on the essential need--recognized in your original bill on this subject, S. 2597--of "carrying on within the United States activities necessary to support its foreign intelligence responsibilities"

The Central Intelligence Agency must conduct activities within the United States in support of its foreign intelligence responsibilities. Of course, such activity could not contravene the proscriptions in the Act against internal-security functions, but would be solely in support of our foreign intelligence mission, such as: (a) interviewing American citizens who are willing, voluntarily and without pay, to share foreign intelligence information in their possession with their Government; (b) collecting foreign intelligence from foreigners in the United States; (c) establishing support structures necessary to foreign intelligence operations abroad; and (d) providing technical assistance to the Federal Bureau of Investigation for its counterintelligence operations against foreigners. I think it important that any enactment explicitly recognize the legitimacy of these necessary support procedures so that the sphere of this Agency's domestic activities is clearly defined.

S. 244 adds a new Section 102(g)(2) which states that the Agency shall not "participate, directly or indirectly, in any illegal activity within the United States". I believe this section is inappropriate and unnecessary. It could also be used to raise difficult questions with

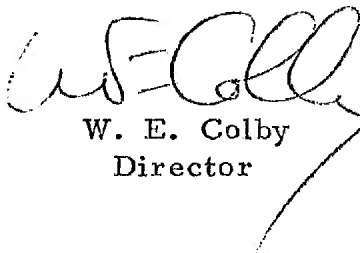
respect to fully appropriate activities in the United States essential to the support of foreign intelligence activities abroad.

Section 102(d)(3) of the National Security Act of 1947 charges the Director of Central Intelligence with the responsibility "for protecting intelligence sources and methods from unauthorized disclosure." As you know, Mr. Chairman, I believe that more effective deterrents are needed to prevent unauthorized disclosures of intelligence sources and methods. I am hopeful that efforts to clarify this Agency's authority will ultimately be coupled with action to protect these essential resources, such as the proposal I submitted in January 1974 which is still under consideration in the Executive branch.

Please allow me to express my appreciation of your continuing interest in clear statutory delineation of CIA responsibilities. I wish to assure you of our understanding that the scope of this Agency's unique authority applies only to foreign intelligence and related activities.

The Office of Management and Budget advises there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,



W. E. Colby
Director

Enclosure

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

Honorable John C. Stennis, Chairman
Committee on Armed Services
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

This is in response to your request for our recommendations on S. 99, which would establish a Joint Committee on National Security.

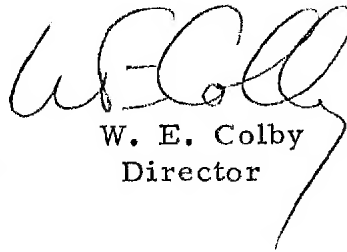
The proposed Joint Committee would be composed of twenty-five members, including the Senate and House leadership, appropriate committee leadership, and six other members of Congress as designated by the leadership. The function of the Joint Committee would be to study and review: (a) the activities, goals, and strategies of the National Security Council; (b) whether the foreign, domestic, and military policies of the United States are appropriately integrated in furtherance of national security; (c) whether the activities, charters, and organizations of U. S. intelligence agencies are consistent with national security requirements; and (d) Government classification and declassification practices, and to make recommendations regarding these practices, if warranted.

As you know, I have consistently taken the position that the manner in which congressional oversight of this Agency is exercised is a matter for Congress itself to determine, but I do note that to the extent S. 99 involves a review of CIA activities, it overlaps the oversight now being performed by several committees of both houses, including the Subcommittee on Central Intelligence which you chair. Consistent with the responsibility imposed upon me by the National Security Act of 1947, I do want to urge that the Congress, in effecting any change in oversight, take the necessary steps to protect intelligence sources and methods from

unauthorized disclosure. I believe limiting oversight to the minimum number of committees required to effectively conduct it will substantially contribute to the protection of those sources and methods.

The Office of Management and Budget advises there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,



W. E. Colby
Director

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WASHINGTON, D.C. 20505

Honorable John C. Stennis, Chairman
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Dear Mr. Chairman:

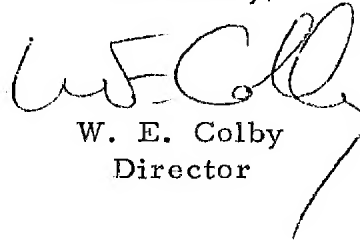
This is in response to your request for our recommendations on S. Res. 6, introduced on January 15 by Senator Schweiker. S. Res. 6 would establish a Senate Select Committee on Intelligence Operations and Activities, to investigate the activities of the intelligence community of the United States Government, including the Central Intelligence Agency. The resolution would also express the "sense of the Senate" that the President designate a special prosecutor for all investigations, indictments, and actions arising from any violations of the National Security Act of 1947 or the Central Intelligence Agency Act of 1949.

As you know, Mr. Chairman, the Senate voted on January 27 to establish the Select Committee To Study Governmental Operations With Respect to Intelligence Activities, proposed in S. Res. 21. This Committee has already begun to conduct an investigation of activities of the intelligence agencies, thus accomplishing the primary objective of S. Res. 6.

I expressed my belief before your CIA Subcommittee on January 16 that none of the activities of this Agency "would properly be the subject of adverse action against men who performed their duties in good faith," recognizing of course that this is a determination for the Department of Justice. At the request of the former Acting Attorney General, information on these matters is being provided to the Department. I defer to the Department for their view on the desirability of designating a special prosecutor to handle this information, as proposed in S. Res. 6.

The Office of Management and Budget advises there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

A handwritten signature in dark ink, appearing to read 'W. E. Colby', with a long, sweeping flourish extending from the bottom right of the signature.

W. E. Colby
Director